

Health Benefits Fund
For the period ended September 30, 2005
(amounts expressed in thousands)

	Unaudited Preliminary FY2005	FY2006				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F & A Projection
Operating Revenues						
City Medical Plans	\$ 200,879	\$ 234,349	\$ 234,349	\$ 54,552	\$ 225,659	\$ 225,659
City Dental Plans	7,811	8,483	8,483	2,011	8,483	8,483
City Life Insurance Plans	5,230	5,565	5,565	1,326	5,565	5,565
Dependent Care Reimbursement	139	160	160	34	160	160
Operating Revenues	<u>214,059</u>	<u>248,557</u>	<u>248,557</u>	<u>57,923</u>	<u>239,867</u>	<u>239,867</u>
Operating Expenses						
Operating Expenses						
City Medical Plan Claims	198,537	231,299	231,299	52,698	222,590	222,590
City Dental Plan Claims	7,811	8,483	8,483	2,011	8,483	8,483
City Life Insurance Plans	5,226	5,565	5,565	1,325	5,565	5,565
Administrative Costs	2,651	3,450	3,450	581	3,450	3,450
Dependent Care	139	160	160	34	160	160
Operating Expenses	<u>214,364</u>	<u>248,957</u>	<u>248,957</u>	<u>56,649</u>	<u>240,248</u>	<u>240,248</u>
Operating Income (Loss)	(305)	(400)	(400)	1,274	(381)	(381)
Nonoperating Revenues (Expenses)						
Interest Income	538	350	350	152	350	350
Prior Year Expense Recovery	2	50	50	4	50	50
Nonoperating Revenues (Expenses)	<u>540</u>	<u>400</u>	<u>400</u>	<u>156</u>	<u>400</u>	<u>400</u>
Pension Bond Proceeds	71	0	0	0	0	0
Net Income (Loss)	306	0	0	1,430	19	19
Net Assets, Beginning of Year	<u>768</u>	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>
Net Assets, End of Year	<u>\$ 1,074</u>	<u>\$ 1,074</u>	<u>\$ 1,074</u>	<u>\$ 2,504</u>	<u>\$ 1,093</u>	<u>\$ 1,093</u>

About the Fund:

The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) plans, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.